



U.S. SENATE BANKING COMMITTEE

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SENATE PASSES DODD'S BILL TO HELP FAMILIES KEEP AND BUY THEIR HOMES

Legislation seeks to protect, preserve and promote the American dream of homeownership

Washington, D.C. - Senator Chris Dodd (D-CT), Chairman of the Banking, Housing, and Urban Affairs Committee, today announced that the Senate has approved the Federal Housing Administration Modernization Act of 2007. The legislation seeks to help American families that have been hit hard by the current crisis in the mortgage markets, including those who currently face the threat of foreclosure and those who may be trying to find fair and affordable financing to buy a new home.

"American families are enduring record foreclosures and are being battered by predatory lending and a lack of credit," said Dodd. "This measure can shield homeowners from harm by helping families find safe, fair, and affordable mortgages. It can help provide credit, both for new homeowners and those seeking a way out of abusive loans in which they are currently trapped. I am pleased that the Senate has overwhelmingly approved this bill and I will continue to fight to enact this legislation to help provide hope and help to American homeowners. I appreciate the support and cooperation of Senator Shelby and our other colleagues on the Senate Banking Committee."

The FHA legislation, which passed the Senate Banking Committee on September 19, is part of Chairman Dodd's comprehensive strategy to protect, preserve and promote the American dream of homeownership. Since becoming Chairman of the Senate Banking Committee, Dodd has made American homeownership a top priority, convening two hearings to examine the problems in the sub prime mortgage market and calling on the Federal Reserve to meet its obligations under the Homeownership and Equity Protection Act (HOEPA) to protect borrowers from unfair, deceptive, and misleading actions against homebuyers. Earlier this year, Chairman Dodd brought together lenders, services, and representatives from Fannie Mae and Freddie Mac at a Homeownership Preservation Summit, where the leaders in the industry committed to make their best efforts to help homeowners stay in their homes. Dodd has worked to help secure \$200 million in federal funding to help at-risk homeowners find affordable mortgages, and has also advocated that the Administration raise the portfolio caps for Freddie Mac and Fannie Mae in a manner that is safe, sound, and targeted to consumer-friendly mortgages. Earlier this week, Dodd introduced a bill to put an end to the abusive and predatory lending practices that have sent thousands of Americans into foreclosure and put thousands more in danger of losing their homes.